

# SUMMARY OF OPA ORDERS ISSUED DURING WEEK ENDING AUGUST 28, AFFECTING AGRICULTURE

Prepared Especially for State Extension Directors

By the OPA

Issued by Extension Service, USDA

- - - - -

Statement by Price Administrator Leon Henderson that a dangerous pattern is being drawn by the continued advance in food prices over which OPA has no control high-lighted OPA's actions of interest to the farmer during the past week.

## FOOD PRICES

Terming the June 15-July 15 cost-of-living figures released by the Bureau of Labor Statistics a warning "that should be read carefully by every housewife," the Price Administrator said that uncontrolled food prices are counteracting the stability that OPA has achieved in prices of controlled foods, clothing, and rents.

"The price increases in uncontrolled foods are drawing a dangerous pattern," Mr. Henderson stated. "If the June 15-July 15 rate of increase - 2.5 percent - were projected over a year, and this is anything but a fanciful projection, we would be paying an average 30 percent more for many important foodstuffs 12 months hence. The effect of increases of this magnitude on the average family budget would be most destructive. Inflation would have a large foot in the kitchen even if OPA continued to succeed in holding the line of prices it has set for the things it is empowered to control" (OPA release 579).

## LIVE HOGS

Deputy Administrator J. K. Galbraith informed a delegation of livestock producers that OPA is making definite plans to place a price ceiling on live hogs. He also indicated that similar action in the near future is contemplated with reference to cattle prices (OPA-614).

## CALIFORNIA SARDINES

Reduction of the maximum prices of California sardine canners who had abnormally high March 1942 ceilings was ordered to relieve a squeeze on wholesale distributors of their products. This action, timed to meet the opening of the 1942 pilchard (or California sardine) pack, establishes specific "dollars and cents" price ceilings for the entire pilchard canning industry (OPA-598).

## RELIEF

The adjustment of wholesale and retail maximum prices for a gelatin dessert distributed by wholesalers affiliated with the Independent Grocers Alliance Distributing Company, Chicago, Ill., was ordered during the week. This action was necessary as the wholesalers' March 1942 prices, based on a contract entered into previously, was abnormally low (OPA-577).

The Atlantic Coast Fisheries Co. of Boston, Mass., was granted permission to sell frozen codfish fillets to the Kroger Grocery and Baking Co., Cincinnati, Ohio, under the latter's brand name at the same price the fisheries company has



been getting for similar products sold under its own brand name (OPA-T-64).

To permit resale in Puerto Rico of pork fat backs at prices which will not result in a loss for wholesalers, a special price ceiling in Puerto Rico for this commodity has been established. This action sets the maximum price for pork fat backs sold or delivered at wholesale in Puerto Rico at \$15.55 per hundred-weight and 18 cents a pound at retail (OPA-578).

It was announced that packers of dressed hogs and wholesale pork cuts, seeking relief from ceilings set under Maximum Price Regulation No. 148 on grounds of rising and uncontrolled live hogs prices, will be given an opportunity to file further and more detailed information on this subject (OPA-581).

An increase in the maximum charge from 50 cents to 75 cents a ton for loading peanuts in and out of warehouses operating under contract with agencies designated by the American Marketing Association was ordered. The adjustment, the first since 1937, was necessary to offset increased labor costs between 1937 and March 1942, which were not adequately reflected in March prices (OPA-586).

Since production at March ceilings would not cover cost of production the Gorton-Pew Fisheries Co., Ltd., Gloucester, Mass., has been allowed an upward adjustment in its salt codfish prices (OPA-T-71).

Deming and Gould Co. of South Bellingham, Wash., has been authorized to adjust its prices for canned salmon to the level generally prevailing for competitive sellers (OPA-T-67).

#### SUGAR

A new alternative maximum price of 6 1/2-cents per pound for refined sugar sold at retail in 10 North Atlantic seaboard States has been established. Retailers in this area may use the new 6 1/2 cent price or their March ceiling under which they have been operating, whichever is higher. The adjustment will not raise the general level of sugar prices to the consumer (OPA-587).

Eight western beet processors and one West Coast cane refiner have been authorized to distribute in Tennessee and Kentucky, areas which ordinarily they did not serve. This action will assure adequate sugar supplies for consumers in the two States (OPA-616).

Several minor changes, mainly regarding procedure for applying for adjustment, have been made to Revised Price Schedule No. 60, which governs the price of direct-consumption sugars (OPA-T-69).

#### RENTS

Residential rents in the Sidney, Nebr., defense-rental area will be reduced and stabilized by Federal regulation on September 1. OPA will order rents in the area reduced to levels prevailing on the maximum rent date of March 1, 1942 (OPA-595).

Montgomery County in the Parsons, Kans., defense-rental area will be placed under Federal rent regulation on September 1. Labette County in the area was brought under control on July 1 (OPA-T-70).



Further time will be allowed protestants against the Maximum Rent Regulation for housing accommodations other than hotels and rooming houses to present additional evidence in support of their claims. Extensions of 30 days have been granted protestants from the Mobile, Ala., Burlington, Iowa., and Puget Sound defense-rental areas (OPA-610).

#### AUTOMOBILES

OPA during the week established the quota of new automobiles for rationing in September at 33,500 excluding State and national reserves. It was announced that all unused quotas from previous months will in the future be withdrawn at the end of each month if not used in the month for which they are allowed. Up to the present, unused quotas have been permitted to accumulate where originally assigned (OPA-599).

At the same time, the September rationing quota for new adult bicycles was set at 90,000 (OPA-606).

#### GASOLINE

All supplemental gasoline rationing will be reexamined by local rationing boards with particular emphasis placed on holders of "C" and "S" books. The inquiry will extend not only to the right of the supplementary ration-book holder to any supplemental ration at all, but also to the amount of the extra mileage he claimed was necessary in his business. Prosecutions will be undertaken in cases of deliberate violations of the gasoline rationing regulations (OPA-609).

#### TIRES

All vehicle operations have been requested to intensify tire conservation efforts as the only way in which to make sharply reduced tire and tube quotas of September serve even the essential needs provided in the tire rationing regulation. At the same time OPA issued tire allotments for the month of September which are substantially lower than the August allotment (OPA-591).

In an amendment to the tire and automobile rationing regulation, OPA issued detailed conditions under which regularly practicing ministers and religious practitioners are eligible for tires and automobiles (OPA-607).

#### COTTON GINNING

The fees which more than 11,000 cotton ginner throughout the Cotton Belt may charge for the process of separating cotton fibers from cottonseeds as well as other services normally provided by the ginner are specified in a new Maximum Price Regulation. In general the ginner, who serve some 2,000,000 cotton farmers, may charge 105 percent of last season's fees for the same or substantially similar services or specified "dollars and cents" prices fixed by the regulation. The services covered by the regulation include the process of ginning itself, drying, hull extracting, wrapping, tying, weighing, tagging, etc. (OPA-611).

In order to relieve the present temporary shortage of cottonseed hulls in Texas and Oklahoma, crushing mills may add until October 1 actual transportation costs as well as a dollar per ton handling charge when buying hulls from outside mills to resell to feeders (OPA-T-72).



## COTTON WAREHOUSES

Cotton warehouses may use as their maximum prices either the schedule or rates prepared by the Government-owned Commodity Credit Corporation for 1942 loan cotton or the highest rate the individual warehouse charged to each class of purchaser last March (OPA-608).

## BEEF AND VEAL CARCASSES

Sellers of beef and veal carcasses as well as wholesale cuts to the armed forces and to the Federal Surplus Commodity Corporation may add to the maximum prices for these products the cost of certain special services and actual transportation costs. Special services are defined as the actual cost of freezing and special packaging according to specifications for overseas shipment. Additions of these costs removes factors which tend to discourage sellers from doing business with the armed forces and FSOC (OPA-583).

## GARMENTS

Manufacturers of woolen and worsted apparel fabrics have been informed that they may not add the "cost of selling" to their maximum prices for new fabrics calculated under Maximum Price Regulation No. 163, since the ceiling formula provided in this regulation covers this item of cost (OPA-594).

OPA announced additional methods of establishing ceiling prices for women's fur garments for retailers, wholesalers, and manufacturers under conditions which originally were not specified in Maximum Price Regulation No. 178. In addition women's fur hats were placed under the provisions of the regulation, which also covers women's fur garments such as coats, jackets, capes, muffs, and scarfs. (OPA-588).

Trade associations may act for manufacturers or wholesalers in fulfilling the retail "notifications" requirement of four OPA apparel regulations (OPA-T-73).

The types of men's and boys' tailored clothing coming within the scope of Maximum Price Regulation No. 177 has been expanded to include uniforms, coat-type blouses, and other similar garments (OPA-603).

The Price Administrator advised converters of rayon yarn to study and comply with the charges and differentials allowed for specific converting operations under Maximum Price Regulation No. 168 (OPA-T-79).

The OPA announced a special pricing method to be used by wholesalers and retailers in establishing ceiling prices for a group of special fall and winter seasonal commodities, chiefly in the apparel field, but also including other cold weather items, toys, and seasonal sporting goods (OPA-604).

The four main requirements of the Service Price Regulation which covers prices which may be charged for laundering, dry cleaning, and shoe repairing and many other services has been outlined. The requirements are that the individual must not charge more than he did in March 1942, that records showing prices charged during March must be kept, and that sales slips and receipts must be given on sales covered by the regulation (OPA-T-76).



## CHRISTMAS TREES

OPA announced that trees, mistletoe, holly, ferns, plants, and other green-stuffs used for Christmas decorations were exempted from the General Maximum Price Regulations (OPA-568).

## MACHINERY SERVICES

A detailed digest has been issued covering the principal points of Maximum Price Regulation No. 136, as amended, as it applies to suppliers of machinery services (OPA-T-66).

## GENERAL MAXIMUM PRICE REGULATION

Two Midwestern dealers in peppermint and spearmint oils - the A. M. Todd Co., of Kalamazoo, Mich., and William Leman, Inc., of Bremen, Ind., - have been authorized to adjust their maximum prices as established by the General Maximum Price Regulation to a level more in line with those of their competitors. The adjusted ceiling prices will enable these companies to carry out their contracts with the farmers (OPA-563).

In order to enable the armed forces and the Federal Surplus Commodity Corporation to make purchases of five dried fruits without delay in the packing and production of these commodities, sales of these articles to the armed forces and the FSCC have been exempted from the provisions of the General Maximum Price Regulation. Commodities affected by this action are dried apples, dried apricots, dried peaches, raisins, and dried pears. Large quantities of these commodities will be required for use of the armed forces and for Lend-Lease. A specific maximum price regulation setting prices on these dried fruits is now being drafted (OPA-602).

Sales and deliveries of dehydrated vegetables to the armed forces and any government purchasing agency have been exempted from the General Maximum Price Regulation, effective September 2 (OPA-601).

To insure a sufficient quantity of canned boned chicken and canned boned turkey for the armed forces and for Lend-Lease, sales of these products to the Government or any of its agencies have been exempted from the General Maximum Price Regulation (OPA-593).



